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	MEMORANDUM FO	R:	Executive Re-	nistry M.
	FROM:	' EA/DDCI	83-23	खर्ग
	was signed delivered. he disagree	The DDCI understands by Eloise for As guidance, hower with paragraph	wever, he advises	and that
		olace to be involution, etc. I have	ved with minimizi e advised	ng of
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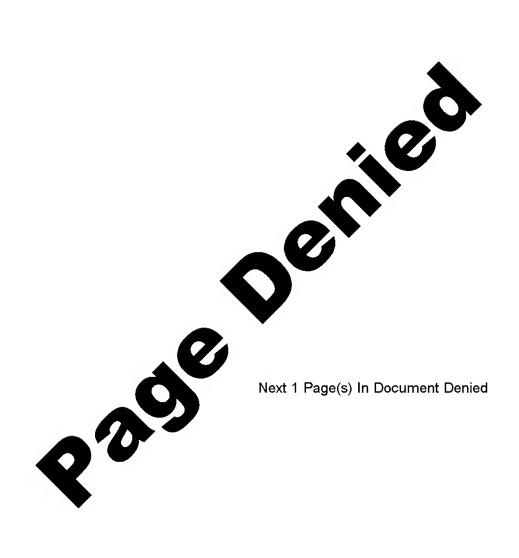
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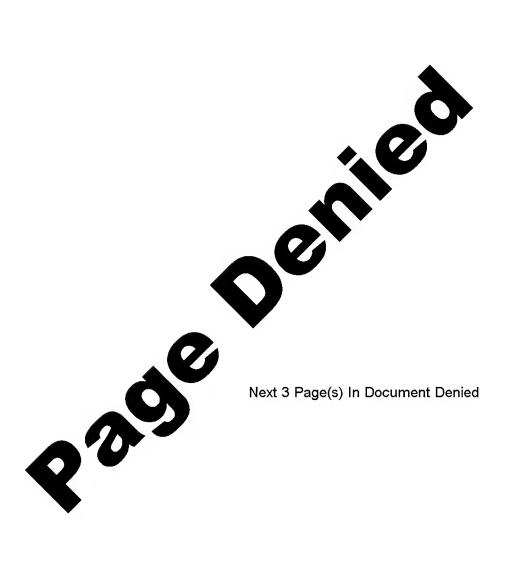
Approved For Release 2008/08/28 : CIA-RDP90B01013R000100160003-7 ______



28 April 1983

MEMORANDUM FOR:	Deputy Direc	ctor of Central Inte	lligence		
FROM:	Director, Ir	ntelligence Communit	y Staff		25X1
SUBJECT:	NSDD on Comm (ELVs)	nercialization of Ex	pendable Lau	unch Vehicles	
2. Backgro	the subject I und: In a 22 subject NSDD unch Vehicles	That you sign the at NSDD on Commercializ 2 April memorandum (and Implementing Gu s (ELVs), (Tab 2) by ubject NSSD:	ation of ELV Tab 1), Judg idelines on	ys ge Clark requested Commercialization	25X1
o	f US ELVs?	G encourage and faci . is the proper approa			
- 1	ommercializa	tion of ELVs?		rstating the	25X1
sector need for competition for satellites. ELV	timely policy the launch o commercialize consistent	een addressed at thi y guidance to permit f the Intelsat VI cl zation, however, has with the national sp t and involvement in	participat ass of comm been under ace policy	ion in a unication consideration for goal of expanding	25X1
Launch Policy Wo	orking Group Ff. The Work	ssue (Tab 3) was con which includes repre ing Group met with m cial ELV operations.	sentation f any of the	rom the IC Staff	25X1
		The Working Group er	dorsed comm	ercialization of	25X1:1
ELVs and develop	oed the imple	menting guidelines u	nder consid	eration.	25X1
					²⁵ 25X1
					25X1
		SECKET			

iscussi	on.
5	The Working Group identified the following benefits to the USG that esult from the commercialization of ELVs:*
	 Tax revenues and reimbursements derived from the provision of launch services;
	 Assumption by the private sector of overhead for ELV productio and launch operations previously borne by the USG;
	 A positive impact on the US balance of payments to the extent that losses of launches to foreign competitors are reduced;
	 Complement to the Shuttle program to meet the demand of many commercial users to have a US backup to the Shuttle to preclud impacts caused by schedule perturbations;
	 An alternative for hazardous payloads or payloads that are technically or economically not feasible to use with a manned system;
	 An enhanced base of domestic technical production facilities and associated manpower; and
	 Avoidance of some close-out costs associated with the terminations of the present USG ELV contracts (and possible partial recoument of investment in residual boosters and components).
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ind gro	-
* Pa	renthetical statements added for completeness.



25X1 25X1 Approved For Release 2008/08/28 : CIA-RDP90B01013R000100160003-7
The Deputy Director of Central Intelligence

Washington, D.C. 20505

MEMORANDUM FOR: The Honorable William P. Clark

Assistant to the President for

National Security Affairs

SUBJECT:

NSDD on Commercialization of Expandable Launch Vehicles

(ELVs)

1. As requested, we have reviewed the draft NSID on commercial ELVs. We fully concur with the basic goals of US space launch policy as stated in this draft policy statement, and recommend that the USG proceed with commercialization of ELVs as quickly as possible. With one exception, as further noted below, we agree with the content and policy direction of the draft NSDD and the Implementing Guidelines. (U)

- 2. Our exception concerns the NSC Staff change on Page 2 of the draft NSDD concerning encouragement of competition among various systems and equitable treatment of all commercial operations. While we do not disagree with either concept, the sentence is ambiguous in terms of intent and the legal obligations it places on USG actions related to commercial ELV operations. We have devised alternative wording (see Attachment). The changed sentences now emphasize free-market competition versus implied competitive bidding and add broad qualifications concerning any government obligation to conduct a competitive bid process for the sale or lease of equipment or facilities. The language and framework we are suggesting for USG actions is drawn from existing administration policy in NSDD-50. (U)
- 3. It is important to minimize unfavorable Congressional and Press reaction to the proposed Presidential ELV commercialization initiative. The SIG(Space) Working Group on Commercial Launches should be tasked to coordinate planning for agency interaction with the Congress and Press on this issue.
 (U)
- 4. Because of the importance of these issues and those that I understand will be raised by other agencies, I recommend that this subject be added to the agenda of the 3 May 1983 IG(Space) meeting. (U)

John N. McMahon

Attachment:
Alternate Wording

Attachment

Alternate Wording

Page 2, Paragraph 2: Change as follows:

The U.S. Government will encourage free market competition among various systems and concepts within the U.S. private sector. Consistent with the U.S. economic, foreign policy and national security interests, the USG will provide equitable treatment in the sale or lease of equipment and facilities for all commercial launch operators.